

Amendment No. 1 to SB2124

Lundberg  
Signature of Sponsor

**AMEND Senate Bill No. 2124\***

**House Bill No. 2468**

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-13-107(b), is amended by deleting subdivision (20) and substituting instead the following:

(20) The transportation plan for students attending the charter school, if any; and

SECTION 2. Tennessee Code Annotated, Section 49-13-107, is amended by deleting subsection (e) and substituting instead the following:

(e) In reviewing and evaluating a charter application, an authorizer shall, if applicable, consider the performance, including student growth and achievement, of a charter school operated by the sponsor, governing body, or charter management organization.

SECTION 3. Tennessee Code Annotated, Section 49-13-110, is amended by deleting subsections (d) and (e) and substituting instead the following:

(d) The governing body of the public charter school may petition the authorizer to amend the original charter agreement. The commission shall determine the timelines for approval and the appeal process. If the authorizer is the commission, then an appeal shall not be made of the commission's decision to deny a petition to amend the charter agreement. The governing body of a public charter school may petition the authorizer for voluntary termination of the charter agreement before the charter agreement expires.

(e) If an LEA's local board of education changes the grade bands for the LEA's elementary schools, middle schools, elementary and secondary schools, or elementary or secondary schools, as those terms are defined in § 49-6-301, then the local board of

education shall notify each public charter school authorized by the LEA at least one hundred twenty (120) days before the grade band changes are implemented to allow the public charter school to seek an amendment to the school's charter agreement.

(f)

(1) Upon the termination of a charter agreement and closure of a public charter school, unencumbered public funds from the public charter school automatically revert back to the authorizer. If a charter agreement is terminated and the public charter school is closed, then all property and improvements, furnishings, and equipment purchased with public funds automatically revert back to the LEA, subject to complete satisfaction of any lawful liens or encumbrances.

(2) If a public charter school is closed for any reason, then the public charter school is responsible for all debts of the public charter school. The authorizer shall not assume the debt from a contract for goods or services made between the governing body of the public charter school and a third party, except for a debt that is previously detailed and agreed upon in writing by the authorizer and the governing body of the public charter school, and that may not reasonably be assumed to have been satisfied by the authorizer.

SECTION 4. Tennessee Code Annotated, Section 49-13-113, is amended by deleting subsections (b), (c), and (d) and substituting instead the following:

(b) A charter school authorized by the commission is open to students residing within the geographic boundaries of the LEA in which the charter school is located.

(c)

(1) A public charter school may enroll students residing outside the geographic boundaries of the LEA in which the public charter school is located if capacity is available after all eligible in-district students have been enrolled. A public charter school's total enrollment of out-of-district students shall not exceed twenty-five percent (25%) of the public charter school's total enrollment.

(2) State school funds must follow a student into the LEA in which the public charter school is located and to which the student transfers pursuant to this section.

(3) Tuition may be charged by the LEA in which the public charter school is located and to which a student transfers, as provided in § 49-6-3003.

(d)

(1) A public charter school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building.

(2) An enrollment preference must be provided to students who attended the public charter school during the previous school year.

(3) If the number of applications exceeds the capacity of a program, class, grade level, or building, then the public charter school shall select students through a lottery. The enrollment preference for returning students provided in subdivision (d)(2) excludes those students from entering into a lottery.

(4) If an enrollment lottery is conducted, then a public charter school shall give enrollment preferences in the following order:

(A) Students enrolled in a pre-kindergarten program operated by the charter school sponsor;

(B) Students who meet the criteria outlined in subdivision (d)(5), if the enrollment preference is used by the public charter school;

(C) Students enrolled in a charter school that has an articulation agreement with the enrolling public charter school; provided, that the articulation agreement has been approved by the authorizer;

(D) Siblings of students enrolled in, or accepted to, the public charter school;

(E) Students residing within the geographic boundaries of the LEA in which the public charter school is located who were enrolled in another public school during the previous school year; and

(F) Students residing outside the geographic boundaries of the LEA in which the public charter school is located.

(5)

(A) A public charter school may give enrollment preference to at-risk students, as identified for purposes of § 49-3-307(a)(6).

(B) A public charter school may request information to verify that a student is at risk on the application submitted pursuant to subdivision (d)(1) for purposes of an enrollment lottery, but shall not require it.

(6) A public charter school may give enrollment preference to children of the public charter school's employees or to the children of a member of the public charter school's governing body, not to exceed ten percent (10%) of the public charter school's total enrollment or twenty-five (25) students, whichever is less.

(7)

(A) A public charter school shall:

(i) Provide the department of education with certification from an independent accounting firm or law firm that each lottery conducted for enrollment purposes complied with the requirements of this section; or

(ii) Request that the department review and approve the lottery process to ensure its compliance with this section.

(B) A public charter school shall comply with the Family Educational Rights and Privacy Act (20 U.S.C. § 1232g), with respect to the publication of student names before, during, or after the enrollment and lottery process.

(8) The state board of education is authorized to promulgate rules concerning lottery enrollment. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 5. Tennessee Code Annotated, Section 49-13-122, is amended by deleting subsections (b)-(h) and substituting instead the following:

(b) A public charter school agreement may be revoked by the authorizer if the authorizer determines that the school:

- (1) Committed a material violation of the conditions, standards, or procedures set forth in the charter agreement;
- (2) Failed to meet or make sufficient progress toward the performance expectations set forth in the charter agreement; or
- (3) Failed to meet generally accepted standards of fiscal management.

(c)

(1) Each authorizer shall, by August 1, 2022, adopt a progressive intervention policy that outlines the process for charter school intervention if the authorizer determines that a public charter school meets the criteria for revocation under subsection (b), or if the authorizer determines that a public charter school is not complying with this chapter or with the charter agreement.

(2) If an authorizer determines that a public charter school meets the criteria for revocation under subsection (b) or that a public charter school is not complying with this chapter or with the charter agreement, then the authorizer shall promptly notify the public charter school and provide the public charter school the opportunity to remedy the issue within the timeframe established by the authorizer according to the authorizer's progressive intervention policy.

(3) If the public charter school fails to remedy the issue within the timeframe established by the authorizer according to the authorizer's progressive intervention policy, then the authorizer may issue corrective actions short of

revocation; provided, that a corrective action shall not include a financial sanction. Corrective actions short of revocation that may be issued by the authorizer must be outlined in the authorizer's progressive intervention policy.

(4) If the corrective actions fail to remedy the issue, then the authorizer may seek revocation of the charter agreement pursuant to this section.

(5) Each progressive intervention policy must align with the state board of education's quality public charter school authorizing standards adopted pursuant to § 49-13-108(f), and must be reviewed by the state board of education as part of the authorizer quality evaluation required under § 49-13-145.

(d) A charter agreement may be revoked at any time by the authorizer in an emergency situation without the authorizer first having to implement the progressive intervention policy. An emergency situation includes, but is not limited to, instances of fraud; misappropriation of funds; flagrant violation of health and safety laws, rules, and regulations; flagrant disregard of the charter agreement; or similar misconduct.

(e) Thirty (30) days prior to a decision by an authorizer to revoke a charter agreement, the authorizer shall notify the public charter school in writing of the possibility of revocation and the reasons for the possible revocation.

(f) If the authorizer revokes a charter agreement, then the authorizer shall clearly state in writing the reasons for the revocation.

(g) No later than ten (10) days after an authorizer adopts a resolution to revoke a charter agreement, the authorizer shall report the authorizer's decision to the department of education and shall provide a copy of the resolution that sets forth the authorizer's decision and the reasons for the decision.

(h)

(1) A decision to revoke a charter agreement may be appealed to the commission no later than ten (10) days after the date of the decision, except for revocations based on the violations specified in subsection (a). No later than

sixty (60) days after the commission receives a notice of appeal and after the commission provides reasonable public notice, the commission shall hold an open meeting in the LEA in which the public charter school has been operating to conduct a de novo on the record review of the local board of education's decision. In order to overturn a local board of education's decision to revoke a charter agreement, the commission must find that the decision was contrary to this section. If the commission overturns the local board of education's decision to revoke a charter agreement, then the commission shall remand the decision to the local board of education and the local board of education shall remain the authorizer. The commission's decision is final and is not subject to appeal.

(2) This subsection (h) only applies to decisions to revoke a charter agreement for which the local board of education is the authorizer.

(i) Except in an emergency situation, as described in subsection (d), a decision to revoke a charter agreement becomes effective at the close of the school year.

SECTION 6. This act takes effect upon becoming a law, the public welfare requiring it.